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October 16, 1996

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By Hand

William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W., Room 222
Washington, D.C. 20554

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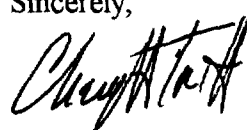
Federal Communications Commission
Office of Secretary

Re: Ex Parte Communication, CC Docket No. 96-61

Dear Mr. Caton:

Pursuant to Section 1.1206 of the Commission's rules, 47 C.F.R. §1.1206, I hereby notify you that David Joseph-Lacagnina of Salestar, Inc., George David of CCMI, and Jerry Lockette and Doug Fetchen of Tele-Tech Services and I met yesterday, October 15, 1996, with John Nakahata, Senior Legal Advisor to Chairman Hundt. We discussed the issues outlined in the attached presentation.

Sincerely,



Cheryl A. Tritt

cc: John Nakahata

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**EX PARTE PRESENTATION BY THE
TELECOMMUNICATIONS MANAGEMENT
INFORMATION SYSTEMS COALITION
TARIFF FORBEARANCE, CC DOCKET NO. 96-61
OCTOBER 15, 1996**

The public availability of rate information is critical to thousands of customers who must make regular informed service decisions in a robustly competitive interexchange marketplace exhibiting increasingly complex pricing structures. Despite this increasing need for information, there is no reliable alternative to obtaining this information absent publicly filed tariffs. The most important factor, however, is the availability of the information, not the precise mechanism used to achieve its availability. Therefore, the public interest requires that any detariffing policy that may be adopted by the Commission be supplemented by a simple requirement that carriers make their rate information centrally available not only to the Commission but also to the public.

I. Customer Need for Price Information/Why Interexchange Service is Different

A. The statutory obligations imposed by Sections 201 and 202 of the Communications Act require pricing information for efficient enforcement through the Section 208 complaint process. As the Supreme Court has said: "The provisions [of the Act] allowing customers or competitors to challenge rates as unreasonable or as discriminatory. . . would not be susceptible of effective enforcement if rates were not publicly filed." *MCI Telecommunications Corp. v. American Tel. and Tel. Co.*, 114 S. Ct. 2223, 2231 (1994).

B. Telecommunications pricing is particularly complex, with literally hundreds of promotional and discount plans offered by each interexchange carrier and with increasingly complex packaging of many different services. It is therefore extremely difficult for customers, particular smaller ones such as residential and small business customers, to gather complete and detailed pricing information from a multitude of carriers. Central availability of pricing information will enable customers to make informed decisions.

C. The airline industry provides a useful analogy. Its computerized reservation systems ("CRSs") provide detailed pricing information for all airlines, including discounted fares and the rules and restrictions applicable to those fares. Special large contract deals and charter deals, however, are not included in the CRSs. The Airline Tariff Publishing Company ("ATP") is the central industry entity that collects and disseminates this information. It was established when the industry was required to file tariffs with the CAB, but it has continued in existence after deregulation as a voluntary mechanism to provide the same information to the CRSs. The airlines are connected to ATP by data cable and provide updated fare information each day. ATP is in turn

connected to its subscribers, including the CRSs, fare auditing companies and large travel agents.

II. Collusive Exchange of Price Information Among IXC's Is Highly Unlikely

A. Collusion as a result of price information exchange is most likely in an industry dominated by a few sellers with a fungible product and inelastic demand. *See United States v. Container Corp. of America*, 393 U.S. 333, 337 (1969). The interstate, interexchange marketplace, however, has many sellers with complex pricing structures and highly elastic demand. Further, the increasing number of entrants into this market makes collusion even less likely.

B. At a minimum, the Commission should determine that the risk of collusion is sufficiently unlikely for the low-end market (*i.e.*, the residential and small business markets) that, when balanced with the need of these customers for pricing information as described above, carriers should be required to make pricing information centrally available for this market at least.

III. Options Exist For Centrally Available Price Information

A. Several commenting parties suggested that price information be made available electronically, perhaps over the Internet. Several software packages already exist that would permit some form of public access to this information.